



September 2006

Elizabeth A. Jones, Chairman ★ Michael L. Williams, Commissioner ★ Victor G. Carrillo, Commissioner

IN THIS ISSUE

- New Consumer Rebates
- AFRED Preserves Forklift Market
- Marketer TV Safety Campaign
- Advisory Committee Appointments
- Propane Source Offers Free Marketing Materials
- 8-Hour Class for Managers Gets Makeover
- SuperStars Grab Headlines
- Propane Pointers: Equipment Maintenance

Supporting documentation: Applications must include a well-documented work order, GAS Check form, or Residential Safety Check Form listing the appliance names, model and serial numbers matching those on the actual application and showing that all appliances were properly inspected by a licensed propane company.

Confirmations: You are welcome to call our rebate section at (800) 64-CLEAR to verify that we received your application or to check on its status.

Submit originals only: No faxes or copies can be accepted.

Commission Approves FY 2007 Rebate Amounts

The following consumer rebate levels will apply to propane equipment installed on or after September 1, 2006.

Rebate type	Rebate Amount
Water heater--new construction	\$150
Water heater--electric replacement	\$300
Propane Star Home	\$550
Propane SuperStar Home	\$750

Delivery-Fee Collections

AFRED's fee revenue for fiscal 2006 totaled \$1,890,508, which is 11 percent lower than the average of previous fiscal years. Heating degree days for Texas were 19 percent below normal levels for the 2005-2006 heating season, and 11 percent below normal nationally.

Rebate Reminders and Tips

Please contact AFRED's rebate coordinator Eileen Latham if you have questions about the program or need assistance in filling out the application: telephone (800) 64-CLEAR or (512) 475-2911; e-mail eileen.latham@rrc.state.tx.us or fax 512-463-7292.

Here are some tips for trouble-free applications and payments:

30-day window: Applications must be postmarked no later than 30 days from the date the propane is turned on to the appliances.

AFRED Preserves Forklift Market, Cleans Up Air

AFRED's hugely successful grant-funded initiative for the purchase of new, ultra-low emission forklifts has caught the attention of other fuels, including electricity and diesel. In its most recent funding round, the Texas Commission on Environmental Quality made grants for 53 forklifts under its in-house rebate program, including electric replacements of older propane lifts.

AFRED continues to promote the replacement of older diesel, gasoline and propane lifts with new, low-emission propane equipment. To date, AFRED has given out grants for the purchase of 381 new propane lifts. Marketers with forklift customers in eligible counties should contact Pat Wilson at (800) 64-CLEAR for more information.

Marketer TV Safety Campaign

Hill Country marketers Jay McClung of Centex and Wanda Hoggarth of Action Propane spent the Friday morning before Labor Day promoting safe propane grilling practices in the studios of ABC affiliate KVUE in Austin. The marketers were featured on the popular morning "Daybreak" show, which is seen by 25,000-30,000 households in nine counties surrounding Austin.

Labor Day is the second most popular grilling day in Texas, so this was an ideal time to highlight the top 10 safe grilling tips and the marketers were pleased. "This exposure profiles us an industry that is devoted to safe use of our product," said McClung, "and the free publicity is invaluable."

Commission Names AFRED Advisory Committee

On August 22 the Commission appointed the following persons to the 2006-2007 AFRED advisory committee.

Paul O. Biney	Prairie View A&M University, Prairie View
Jacinto (Jay) Brisen	All American Propane, Edinburg
Rick Byers	Kelly Propane and Fuels, Holliday
James J. Cole	Southwest Research Institute, San Antonio
Douglas A. Garrett	Building Performance & Comfort, Leander
Tom Granberry	Cass County Butane, Douglassville
Johnny Greenwood	City of Austin, Austin
Skeeter LaDue	Gas Equipment Company, Dallas
Don Lewis	Texas Department of Transportation, Austin
Rick Maier	Independent Propane, Hutto
Douglas A. Peck	Floresville
Janice S. Peterson	Buster Brown Propane, New Caney
Gregg Radley	Ferrellgas, San Antonio
Joey Strmiska	Sharp Propane, Round Rock
Lorraine Urey	Texas Association of Builders, Austin
Sheldon C. Vedlitz	Houston
James A. Williams	Brady Butane Co., Brady

The committee's first meeting will start at 9:00 a.m., Wednesday, November 1, at the AFRED Training Center, 6506 Bolm Road, Austin.

Propane Source Offers Free Duty-to-Warn, Marketing Materials

AFRED provides you free safety materials and training to help you meet the requirement to educate your customers and potential customers on the safe use of propane. Look over the enclosed Propane Source catalog and call in or fax your order to Eileen Latham: telephone (800) 64-CLEAR or fax (512) 463-7292.

New ticket holder designs found in the new Propane Source catalog



RAILROAD COMMISSION CONTACT LIST

COMMISSIONERS

Elizabeth A. Jones, Chairman	(512) 463-7140
Michael L. Williams, Commissioner	(512) 463-7144
Victor G. Carrillo, Commissioner	(512) 463-7131

AFRED

Dan Kelly, Director	(512) 463-7291
Heather Ball, Marketing/Public Education	(512) 463-7359
Eileen Latham, Rebate Coordinator	(512) 475-2911
Steve Jaeger, Research/Technical Services	(512) 463-9202
Thomas D. Petru, Training	(512) 463-6930
Carol Goodman, Training Registration	(512) 463-2682
Rayfield Hearne, Certification	(512) 463-6845
Wanda Dunning, Exam Coordinator	(512) 463-6933
All other information and AFRED staff	(512) 463-7110
Toll-free	(800) 642-5327
FAX: Training/Bolm Road	(512) 475-2532
FAX: Rebates/Marketing/Division Office	(512) 463-7292

AFRED FIELD STAFF

Susan DeCELL, East Texas	(713) 628-9915
Rudy De La Garza, South Texas	(956) 245-0715
Tracy Wells, North/East Texas	(214) 728-9908
Pat Wilson, Central Texas & Forklift Coord.	(512) 971-0108
Bobby Wood, West Texas	(325) 669-4995

GAS SERVICES

Stephen Pitner, Director	(512) 463-7938
Jackie Standard, Director, License & Permits	(512) 463-7118
Richard Gilbert, LP-Gas Regulations	(512) 463-6935
Irma Garza, Licensing Rep. A-C, Z, #'s	(512) 463-7299
Sherri Washington, Licensing Rep. D-H, V & W	(512) 936-4146
Angela Whitehead, Licensing Rep. I-N, T & U	(512) 463-7207
Linda Bailor, Licensing Rep. O-S, X & Y	(512) 463-6940
Toll-free	(866) LPG-4321

SAFETY DIVISION

Mary McDaniel, Director	(512) 463-7166
James Osterhaus, LPG Program Manager	(512) 463-6692
Dawn Richardson, Exceptions and Inspections	(512) 463-2339
FAX: LP-Gas Safety Section	(512) 463-7319

8-Hour Class for Managers Gets Makeover

"Excellent!" "Informative, direct, to the point" summed up the evaluations from the more than 90 propane-company owners and managers who attended AFRED's new-format 8-hour 6.1 class, "Regulatory Compliance Update for Managers."

Speakers from the Department of Transportation, Department of Public Safety, Internal Revenue Service, Department of Agriculture (Weights and Measures), Department of State Health Services (Tier II) and the Railroad Commission (LP-Gas and AFRED) provided fast-paced, informative presentations on new rules, legislation and incentives. Lunch was sponsored by Briggs and Stratton and Manchester Tank and included a talk and demonstration of the new generation of propane-fueled home generators.

In coming months AFRED plans to hold more 6.1 classes around the state to help you stay abreast of regulatory and other changes. If you are interested in attending a class in your area, please contact your AFRED field rep or Heather Ball at (800) 64-CLEAR.

Register Online for Exams

Please take a moment to read the insert on exam registration in this issue of the Propane Insider.

Starting October 1, registration at least two business days in advance is required for examinations scheduled outside of Austin. Exams are still available in Austin without advance registration every business day from 8 a.m. to 12 noon at the AFRED Training Center, 6506 Bolm Road.

SuperStars Grabbing Headlines

AFRED's Propane SuperStar awards generate positive press for propane in newspapers throughout the state. Because they appear in the news section, rather than as advertising, the SuperStars articles messages about propane's benefits carry added readership and credibility.

Best of all, the coverage is free for participating marketers. If you need help getting started using AFRED's programs to secure your company free media such as the SuperStars and customized monthly safety releases, call (800) 64-CLEAR or your regional marketing representative.

PROPANE POINTERS



Each month AFRED's hunting-dog mascot points to a Railroad Commission LP-Gas Safety Rule that Safety Division inspectors often find violated. The "point" of these articles is to facilitate compliance by making marketers more aware of these issues.

This month's article covers a standard that RRC inspectors wrote up 1,452 times in the last three years. The standard is LP-Gas Safety Rule §9.113, which governs maintenance of valves, fittings, containers and other equipment at stationary installations.

Equipment Maintenance

LP-Gas Safety Rule §9.113, Maintenance, covers a broad range of equipment violations at stationary installations. These violations include such problems as inoperable valves (seized valve stems, missing handles, or other defects), a filler hose adapter used on a leaking filler valve, excessively worn

threads on a cylinder-filling adapter or ACME threaded hose couplings, appliances not operating properly, and leaking valves or fittings. Rule §9.113 applies to any maintenance-related situation that an inspector considers hazardous, but is not specifically referenced in the LP-Gas Safety Rules, NFPA 54, or NFPA 58.

A similar rule, §9.204, covering maintenance of LP-gas equipment and containers installed on vehicles, took effect in September 2005.

As an LP-gas marketer or technician, you need to be constantly observant and take immediate steps to prevent or correct any maintenance-related hazard arising at your or your customers' stationary installations or vehicles. Your prompt attention to any potential problem will pay off in the form of avoided accidents and enforcement actions.

REGULATORY UPDATE

LP-Gas Incident/Accident Reporting

The Railroad Commission's Safety Division works with LP-gas licensees in Texas to find and correct hazardous LP-gas installations and procedures, to protect the general public from LP-gas incidents and accidents. Nevertheless, incidents do occur from time to time as a result of damage from mechanical or natural forces, mechanical failure, human error, or failure to comply with required safety standards.

In the event your company experiences a reportable incident or accident, here are a few tips to help clarify the initial reporting and follow-up criteria.

LP-Gas Safety Rule §9.36 specifies reportable LP-gas events and requires the following:

The LP-gas licensee owning, operating or servicing an installation or equipment involved in an LP-gas incident or accident must notify the commission's Safety Division by telephone within two (2) hours of discovery.

The commission's 24-hour phone number for reporting an LP-Gas incident or accident is (512) 463-6788.

Within 14 days of having telephonically reported an incident or accident, the licensee must submit a properly completed LPG Form 20 to the Safety Division. An LPG Form 20, Report of LP-Gas/CNG Incident-Accident, may be downloaded from the Railroad Commission's website, www.rrc.state.tx.us.

Timely reporting of an incident/accident permits an inspector to arrive at a site before it is extensively disturbed. When an inspector arrives on the scene, depending on the circumstances, the licensee may be asked to provide assistance. Obtaining statements from witnesses and documents of the LP-gas services provided by the licensee prior to the incident or accident is a standard procedure in most investigations.

The Safety Division encourages all licensees to contact emergency-response personnel in their service areas to establish a liaison with those responders and inform them about the safety equipment and emergency measures the licensee has implemented to handle an LP-gas emergency.

SEPTEMBER 1, 2006

NOTICE TO ALL RAILROAD
COMMISSION LP-GAS LICENSEES

REGISTRATION IS REQUIRED FOR EXAMS GIVEN OUTSIDE AUSTIN

Effective October 1, 2006, registration at least two business days in advance is required for all persons planning to take Railroad Commission LP-gas qualifying examinations at locations other than Austin.

Exams may still be taken in Austin on a walk-in basis, without pre-registering, on any business day between the hours of 8:00 a.m. and 12:00 noon at the AFRED Training Center, 6506 Bolm Road.

To view a complete schedule of the next three months' exam dates and locations, visit the Railroad Commission's home page at www.rrc.state.tx.us. Click on "Propane/LP-Gas Training & Certification" and select "Class/Exam Schedule."

To register for a class and/or exam, go to www.rrc.state.tx.us. Click on "Propane/LP-Gas Training & Certification," select "Register Now," and complete the short online form. You will receive an e-mail confirming your registration.

NOTE: Please use separate lines on the registration form for applicants who will take more than one exam.

You may also register by faxing the examinees' names, the exams they plan to take, and the scheduled exam dates and locations to Carol Goodman at (512) 475-2532 or by telephoning (512) 463-2682.

RAILROAD COMMISSION OF TEXAS
Alternative Fuels Research and Education Division
Examination Schedule
September-November 2006

Walk-in exams every business day, 8 a.m.-12 noon, at 6506 Bolm Road, Austin 78721
Examinations are also available at the following times and locations:

Date	City	Facility	Address	Exam Start Time
09/11/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
09/12/06	Corpus Christi	RRC	10320 IH 37	5:00 p.m.
09/13/06	Kilgore	RRC	619 Henderson Blvd	5:00 p.m.
09/13/06	Corpus Christi	RRC	10320 IH 37	5:00 p.m.
09/14/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
09/14/06	Kilgore	RRC	619 Henderson Blvd	8:00 a.m.
09/14/06	Corpus Christi	RRC	10320 IH 37	8:00 a.m.
09/19/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
09/28/06	Amarillo	TxDOT	5715 Canyon Drive	8:00 a.m.
09/28/06	Abilene	TxDOT	4250 N. Clack	8:00 a.m.
09/28/06	Houston	Gas Equipment Co.	11510 N. Petro Park Dr.	8:00 a.m.
10/03/06	El Paso	RRC	401 Franklin Ave., 4th Fl. Rm. 485	5:00 p.m.
10/03/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
10/04/06	El Paso	RRC	401 Franklin Ave., 4th Fl. Rm. 485	5:00 p.m.
10/04/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
10/05/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
10/05/06	El Paso	RRC	401 Franklin Ave., 4th Fl. Rm. 485	8:00 a.m.
10/05/06	Garland	RRC	1546 Rowlett Rd. Ste. 107	8:00 a.m.
10/16/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
10/17/06	Midland	RRC	10 Desta Drive	5:00 p.m.
10/18/06	Midland	RRC	10 Desta Drive	5:00 p.m.
10/19/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
10/19/06	Midland	RRC	10 Desta Drive	8:00 a.m.
10/26/06	Houston	Gas Equipment Co.	11510 N. Petro Park Dr.	8:00 a.m.
10/30/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
11/02/06	Houston	Gas Equipment Co.	11510 N. Petro Park Dr.	8:00 a.m.
11/06/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
11/08/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
11/09/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
11/09/06	Amarillo	TxDOT	5715 Canyon Drive	8:00 a.m.
11/16/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
11/27/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
11/28/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
11/29/06	Austin	RRC	6506 Bolm Road	5:00 p.m.
11/30/06	Houston	Gas Equipment Co.	11510 N. Petro Park Dr.	8:00 a.m.
11/30/06	Austin	RRC	6506 Bolm Road	5:00 p.m.

Register online for exams at www.rrc.state.tx. Click on "Training & Certification."
No examinations will be given out after 5:30 p.m. or 9:00 a.m.



PROPANE CONSUMER REBATES

EFFECTIVE SEPTEMBER 1, 2006

- \$ 300** Replacement of electric water heater with propane water heater
- \$ 150** Installation of propane water heater in a new construction
- \$ 550** Propane Star Home – required: new propane water heater, new propane furnace, new/used propane dryer, and any one of the following new propane appliances: gas range, gas cooktop, gas oven, gas logs, or hard-piped gas grill.
- \$ 750** Propane Super Star Home – required: 2 or more new propane water heaters, 2 or more new propane furnaces, new/used propane dryer, and any one of the following new propane appliances: gas range, gas cooktop, gas oven, gas logs, or hard-piped gas grill.

RULES

1. Application must be postmarked within 30 days of the date propane is turned on by propane marketer.
2. Well documented work order, GAS CHECK, or Residential Safety Check form must be submitted with application.
3. Home Builders are eligible for rebates.
4. The program is subject to available funds on a first-come basis.
5. The Alternative Fuels Research and Education Division of the Railroad Commission has a toll-free hotline with updated information on rebate availability. Access www.propane.tx.gov for applications and guidelines.



RAILROAD COMMISSION OF TEXAS

Alternative Fuels Research & Education Division

1-800-64-CLEAR or www.propane.tx.gov